

INFORMATIONAL HEARING AND SITE VISIT
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)
)
Application for Certification) Docket No.
Beacon Solar Energy Project by) 08-AFC-2
Beacon Solar, LLC)
_____)

CALIFORNIA CITY COUNCIL CHAMBERS
CITY HALL
2100 HACIENDA BOULEVARD
CALIFORNIA CITY, CALIFORNIA 93505

WEDNESDAY, JUNE 11, 2008

3:10 P.M.

Reported by:
Troy Ray
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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMITTEE MEMBERS PRESENT

Karen Douglas, Presiding Member

Jeffrey Byron, Associate Member

HEARING OFFICER, ADVISORS and STAFF PRESENT

Kenneth Celli, Hearing Officer

Diane Schwyzer, Advisor

Kristy Chew, Advisor

Terry O'Brien

William Pfanner, Project Manager

Jared Babula, Senior Staff Counsel

PUBLIC ADVISER

Nicholas Bartsch

APPLICANT

Thomas Henry, Attorney
Downey Brand Attorneys, LLP

Kim McCormick, Attorney

Gary L. Palo, Project Director
Kenneth Stine, Assistant Project Director
Duane McCleod
Meg Russell
Florida Power and Light

INTERVENOR

Rachael Koss, Attorney
Adams Broadwell
representing California Unions for Reliable Energy

ALSO PRESENT

Jeremiah Cravens
Kern County Air Pollution Control District

Don Maben, Supervisor
Lorelei Oviatt, Division Chief
County of Kern

David Evans, Mayor
Linda Lunsford, City Manager
Al Greer, Chairman, Planning Commission
California City

Michael S. Edmiston, Councilmember
California City Council

Bill Dever
Mojave Chamber of Commerce

John Diel, Assessor
County of Kern

Chuck Holloway
Los Angeles Department of Water and Power

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P R O C E E D I N G S

3:10 p.m.

PRESIDING MEMBER DOUGLAS: This is an informational hearing conducted by a Committee of the California Energy Commission on the proposed Beacon Solar Energy Power Plant project. The Energy Commission has assigned a Committee of two Commissioners to conduct these proceedings.

Before we begin I'd like to introduce the Committee Members to you. I am Commissioner Karen Douglas; I'm the Presiding Member of this Committee. Commissioner Jeffrey Boyd (sic), right here, is the Associate Member of the Committee. My Advisor, to my left, Diana Schwyzer. Did I say -- I'm sorry, Commissioner Jeffrey Byron, the Associate Member of the Committee. Commissioner Byron's Advisor, Kristy Chew, is on his right. And to my immediate right is our Hearing Officer, Kenneth Celli.

Would the parties please introduce their representatives at this time, starting with the applicant.

MR. PALO: Yes, I'm Gary Palo, Project Director for the Beacon Solar project. To my left is our regulatory counsel, Tom Henry, from Downey

1 Brand. And to the right is our environmental
2 counsel, Kim McCormick.

3 PRESIDING MEMBER DOUGLAS: Thank you,
4 and --

5 MR. PALO: -- Ken Stine, Assistant
6 Project Director --

7 PRESIDING MEMBER DOUGLAS: Thank you.
8 And, the Commission Staff.

9 MR. PFANNER: I am Bill Pfanner, Project
10 Manager for the California Energy Commission. And
11 on my right is Jared Babula, who is Staff
12 Attorney.

13 PRESIDING MEMBER DOUGLAS: Great. And
14 is a representative of the intervenor, CURE, here
15 today?

16 MS. KOSS: Yes.

17 PRESIDING MEMBER DOUGLAS: Could you
18 introduce yourself.

19 MS. KOSS: I'm Rachael Koss --

20 HEARING OFFICER CELLI: We need you to
21 come to the microphone, please.

22 MS. KOSS: Hi, good afternoon. My
23 name's Rachael Koss; I'm with Adams Broadwell.
24 And we're representing California Unions for
25 Reliable Energy.

1 PRESIDING MEMBER DOUGLAS: Thank you.
2 From other agencies represented here today, is
3 there anybody here from the Kern County Air
4 Pollution Control District?

5 MR. CRAVENS: Present.

6 PRESIDING MEMBER DOUGLAS: Could you
7 introduce yourself, please, for the record.

8 MR. CRAVENS: I'm Jeremiah Cravens
9 representing Kern County Air Pollution Control
10 District.

11 PRESIDING MEMBER DOUGLAS: Thank you.
12 From Kern County I'm aware of a number of
13 representatives, Supervisor Maben from Kern
14 County. Are you here?

15 SUPERVISOR MABEN: Yes, I am, but I
16 think Lorelei Oviatt from our Planning Department
17 would be the appropriate one to represent us
18 today.

19 PRESIDING MEMBER DOUGLAS: Great. Would
20 you like to introduce yourself for the record?

21 MS. OVIATT: Thank you; I'm Lorelei
22 Oviatt; I'm a Division Chief for the Kern County
23 Planning Department.

24 PRESIDING MEMBER DOUGLAS: Thank you.
25 From California City, Mayor Evans, I believe is

1 present? Very good. Great.

2 And as well, Councilman Edmiston.

3 COUNCILMEMBER EDMISTON: Yes, back here.

4 PRESIDING MEMBER DOUGLAS: Is there
5 anybody else from Kern County, from California
6 City, or -- could you please -- oh, City Manager,
7 I'm sorry.

8 MAYOR EVANS: Our City Manager is over
9 here, Linda Lunsford.

10 PRESIDING MEMBER DOUGLAS: Thank you.

11 MAYOR EVANS: And we have a Planning
12 Commissioner right here, our Chairman.

13 MR. GREER: Al Greer, Chairman of the
14 Planning Commission, California City.

15 PRESIDING MEMBER DOUGLAS: Thank you.
16 And from Mojave, is there anybody representing
17 that city here?

18 MR. DEVER: Bill Dever, Mojave Chamber
19 of Commerce.

20 PRESIDING MEMBER DOUGLAS: Thank you.
21 What about the Lahontan Regional Water Resources
22 Control Board? Very good.

23 I'd also like to briefly introduce our
24 Public Adviser, Nick Bartsch, who will be speaking
25 later. He just raised his hand in the back of the

1 room.

2 Beacon Solar filed an application with
3 the California Energy Commission to obtain a
4 license to build and operate the Beacon Solar
5 Power Plant project here in Kern County.

6 The purposes of today's hearing are to
7 provide information about the proposed power
8 plant; to describe the Commission's licensing
9 process in reviewing the application; and to
10 provide information and opportunities to
11 participate in this process.

12 Later in the hearing the Public
13 Adviser's representative will explain more about
14 how you can obtain information on the project, how
15 to participate and how to offer comments during
16 this review process.

17 Mr. Bartsch will also tell you how to
18 intervene as a formal party if you would like to
19 do that, to present evidence and cross-examine
20 witnesses.

21 Beacon Solar, the applicant, conducted a
22 site visit so that the public could enter the
23 property to see the location where the project is
24 proposed to be built. The site visit took place
25 at 2:00 p.m. this afternoon and concluded just

1 prior to this informational hearing.

2 At this time Hearing Officer Celli will
3 proceed with the hearing.

4 HEARING OFFICER CELLI: Thank you,
5 Commissioner. Can you all hear me okay? Am I
6 coming across? Thank you.

7 Basically what you're looking at up on
8 the screen there is a shot of the California
9 Energy Commission building on 9th and P Street in
10 Sacramento. The California Energy Commission is a
11 state agency that has exclusive jurisdiction to
12 license or certify, as we say, new power plants
13 that generate 50 megawatts of electricity or more.

14 On March 14, 2008, the Energy Commission
15 accepted as complete, Beacon Solar's application
16 for certification for the Beacon Solar Energy
17 Power Plant project.

18 This is a nominal 250 megawatt solar
19 power plant proposed for construction in eastern
20 Kern County along California State Route 14
21 corridor, approximately four miles north-northwest
22 of the northern boundary of California City at the
23 western edge of the Mojave Desert.

24 Notice of today's event was mailed to
25 all parties, adjoining landowners, interested

1 governmental agencies and other individuals. The
2 notice was also published in the June 5, 2008
3 edition of the issue of the Weekly Mojave Desert
4 newspaper -- the Mojave Desert News newspaper.
5 The Public Adviser will explain more about that in
6 a moment.

7 Today's hearing is the first in a series
8 of formal Committee events that will extend over
9 the next year. The Commissioners conducting this
10 proceeding will eventually issue a proposed
11 decision containing recommendations on the
12 proposed project to the full five-member Energy
13 Commission.

14 To be clear, the Beacon Solar AFC
15 Committee is made up of the two Commissioners,
16 Commissioner Douglas and Commissioner Byron, their
17 Advisors and me, the Hearing Officer.

18 It is important to emphasize that the
19 law requires that the Committee's proposed
20 decision be based solely on evidence contained in
21 the public record.

22 To insure that this happens, and to
23 preserve the integrity and impartiality of the
24 Commission's licensing process, the Commission's
25 regulations and the California Administrative

1 Procedure Act expressly prohibit private, off-the-
2 record contacts concerning substantive matters
3 between the participants in this case, in this
4 proceeding, and the Commissioners, this Committee,
5 their Advisors and me.

6 This prohibition against off-the-record
7 communications between the parties and the
8 Committee is known as the ex parte rule. This
9 means that all contacts between the parties and
10 the Committee regarding any substantive matter
11 must occur in the context of a public discussion
12 such as today's event, or in the form of written
13 communication that is distributed to all parties.

14 The purpose of the ex parte rule is to
15 provide full disclosure to all participants of any
16 information that may be used as a basis for the
17 Committee's future decision on this project.

18 The Energy Commission Staff, on my left,
19 is a party to these proceedings in the same way
20 that the applicant, sitting on my right, is a
21 party, or the intervenor. Even though the staff
22 and the Committee members are both part of the
23 Energy Commission, we are completely separate
24 entities for purposes of these proceedings. So
25 the ex parte rule applies to the Energy Commission

1 Staff the same way that it applies to the
2 applicant and intervenors.

3 Additional opportunities for the parties
4 and governmental agencies to discuss substantive
5 issues with the public will occur in public
6 workshops to be held by the Commission Staff at
7 locations near here, such as California City, and
8 elsewhere.

9 Information regarding other
10 communications between the parties and
11 governmental agencies is contained within written
12 reports or letters that summarize such
13 communications. These reports and letters are
14 distributed to the parties and are made available
15 to the public.

16 Information regarding hearing dates and
17 other events in this proceeding will also be
18 available on the Commission's website.

19 The application for certification or
20 what we call the AFC, the process is a public
21 proceeding in which members of the public and
22 interested organizations are encouraged to
23 actively participate and express their views on
24 matters relevant to the proposed project.

25 The Committee is interested in hearing

1 from the community on any aspect of this project.
2 Members of the public are also eligible to
3 intervene in the proceeding. And if there are
4 potential intervenors, we encourage you to file a
5 petition to intervene as soon as possible to allow
6 for full participation.

7 In a moment we'll ask the Public
8 Adviser's representative to explain the public
9 participation process, and to provide an update on
10 their efforts to contact local residents and other
11 interested groups and organizations regarding this
12 proceeding.

13 Following this, we will then ask the
14 applicant and the staff to make their respective
15 presentations. These will, in turn, be followed
16 by intervenor's comments, and general comments
17 from the public and/or agencies present.

18 At this time I'm going to ask Nick
19 Bartsch from the Public Adviser's Office to please
20 step forward and explain basically, in very brief
21 terms, the outreach efforts made by the Public
22 Adviser's Office.

23 MR. BARTSCH: Thank you, Hearing Officer
24 Celli. If you don't mind, I'm going to face the
25 public so that they will be able to hear me better.

1 My name is Nick Bartsch. I am
2 representative of the Public Adviser's Office,
3 which is an independent organization within the
4 Energy Commission, whose -- the Public Adviser is
5 appointed by the Governor.

6 Our main responsibility is to you folks,
7 to provide full and meaningful public
8 participation in the Energy Commission's
9 processes, including this application process.

10 Now, how do we do this? We actually
11 already started by contacting most of you. And I
12 personally talked to many of you as part of our
13 outreach effort to let you know (inaudible) to
14 participate.

15 This is the first of many public
16 opportunities for the public to participate and
17 provide comments, either verbally or in writing.
18 And just weigh in on the process. And all the
19 public events are recorded, so your comments will
20 become part of the record on which then the
21 decision is made.

22 So, how can you participate? There are
23 actually two ways. You can participate as an
24 interested party. Simply you can start out by
25 signing up -- signing our attendance sheet today

1 where you had an opportunity to mark your
2 interest. And if you are on the internet, then
3 you'll be getting notification electronically.

4 If you -- you'll be getting it through
5 the mail. You will rest assured that from this
6 point on if you expressed an interest then you
7 will be kept abreast on what is happening.

8 Now, if you happen to have access
9 through a computer to the web, the Energy
10 Commission website has a dedicated website for
11 this project. And you can find the web address
12 right on this blue sheet -- I mean green sheet.
13 If you want (inaudible) access that site and where
14 you can get up-to-date information.

15 Also, you'll be getting notifications in
16 the mail. And if you sign up on what's called
17 listserver, then you'll be getting -- or if you
18 signed up on the list here, you'll be getting
19 notified automatically of future events and future
20 information about this project.

21 So you can stay tuned and continue to
22 participate and offer your comments, either in
23 writing or verbally at all these events.

24 If you want to write to us to submit
25 written comments, be sure to put the name of the

1 project, and also what's called the docket number.
2 Both of these are on this green sheet. So be sure
3 you have those things written on all the
4 communication that you send to the Energy
5 Commission.

6 Now, the other way, if you want to be
7 more involved, and a more formal way in this
8 process, you can become an intervenor. The
9 difference between being an interested party and
10 being an intervenor, an intervenor is basically,
11 as an intervenor, --

12 HEARING OFFICER CELLI: Nick, you're not
13 on -- yeah, you need to speak right into that
14 mike, please.

15 MR. BARTSCH: -- you will have an
16 opportunity to submit testimony, yourself, instead
17 of just information that you will be providing as
18 an interested party.

19 You can provide your own witnesses in
20 the formal hearings, and you can ask for
21 information from the other parties, such as the
22 applicant or the Energy Commission, or other
23 intervenors.

24 You can ask for and get their
25 information. You can provide your own witness.

1 And you can cross-examine witnesses of the other
2 parties. And what you provide is testimony which
3 carries weight in the decisionmaking process.

4 So, to become an intervenor I can help
5 you with the process. You do not have to be an
6 attorney to do it. The Public Adviser's Office is
7 here to help you to get this, as an intervenor, to
8 the process. We cannot, however, represent you in
9 the process. You can represent yourself.

10 You have to -- I have the forms back
11 there. I can explain the process for you if you
12 choose to intervene.

13 Now, as to when you should participate,
14 whether as an interested party or as an
15 intervenor, the earlier the better, because that
16 way you will get the benefit of the entire
17 process, and the information from that process.

18 So, if you have, then, additional
19 questions about it, I'll be available in the back
20 to answer your questions.

21 HEARING OFFICER CELLI: Thank you, Mr.
22 Bartsch.

23 MR. BARTSCH: Just very briefly --

24 HEARING OFFICER CELLI: Please speak
25 right into that microphone.

1 MR. BARTSCH: I have been speaking --

2 (Parties speaking simultaneously.)

3 MS. SPEAKER: Give it a shake.

4 MR. BARTSCH: Anyway, before the end of
5 this session we are going to have public
6 commentary. And what I'd like to do is pass out
7 these blue cards that I'd ask you to fill out.
8 And then I'll collect them and take them up to the
9 Hearing Officer, and they'll call you in turn
10 based on these blue cards. This way we can have
11 this done in an organized fashion.

12 One more thing I'd just like to mention
13 quickly are outreach efforts. In addition to
14 sending out letters with this information sheet,
15 to elected officials in Kern County, and also the
16 local elected officials, we have reached out to
17 interested parties. We sent out some 50 letters
18 and information, notified churches, schools,
19 generally health facilities.

20 These are facilities or entities that,
21 because of their involvement with children or
22 treating folks for medical reasons, they are
23 interested in all industrial projects that are
24 locating in their area. We notify them within a
25 six-mile radius.

1 We also notify the Native American
2 Heritage Commission, Sierra Club, Audubon Society
3 and all the Chambers and economic development
4 corporations in the area.

5 You might have seen our ad in the Mojave
6 Desert Times, January 5th issue. And I hope many
7 of you folks are here because you saw the ad.

8 So this pretty much in a nutshell wraps
9 up what I had to say. I'm available in the back
10 of the room to answer your further questions.
11 Thank you very much.

12 HEARING OFFICER CELLI: Thank you, Mr.
13 Bartsch. And, Ms. Russell, here's the mouse up
14 here.

15 Folks, what we're going to do, first of
16 all everything we say is going to be on the
17 record. And there will be a transcript made
18 available of these proceedings. And that is why
19 it's so important that you speak directly into
20 this microphone, so that everything you say will
21 make its way into the transcriber's record, okay.

22 The way we're going to proceed today is
23 first, Beacon Solar is going to describe the
24 proposed project and explain its plans for
25 developing the project site.

1 After that, the Commission Staff will
2 then provide an overview of the Commission's
3 licensing process and its role in reviewing the
4 proposed Beacon Solar Energy Power Plant project.

5 After that, we would hear from Ms. Koss,
6 the Intervenor, if you would like to make a
7 presentation, if you wish.

8 After that we will discuss scheduling
9 and other matters that were raised in staff's June
10 2, 2008 issues identification report.

11 Upon completion of these presentations
12 interested agencies and members of the public will
13 then offer comments and ask questions. This will
14 be a somewhat informal part of the process.

15 And at this point, now, we're going to
16 ask the applicant to begin with their
17 presentation. I'm going to ask the public to hold
18 off on questions until the comment period at the
19 very end, so it will be a comment-and-question
20 period. And the applicant and staff will make
21 themselves available to answer your questions at
22 that time.

23 (Pause.)

24 MR. PALO: Good afternoon. My name is
25 Gary Palo; I'm the Project Director for Beacon

1 Solar. And with me today, as I've already
2 mentioned, is Kenneth Stine, Duane McCleod, Kim
3 McCormick, Tom Henry and then we also have
4 representatives of our ENSR and EDAW (phonetic),
5 the outside consultants that we used to help
6 prepare the application; as well as our outside
7 engineering consultant, Worley Parsons (phonetic).

8 I won't introduce those folks now, but
9 they are in the room to help address questions
10 later in the day.

11 First, I'd like to thank the Energy
12 Commission for this opportunity to be here today
13 and to have this public hearing; and to quickly go
14 through our slide presentation. I'd like to thank
15 California City for allowing this meeting to be
16 held in their facilities. And, of course, the
17 officials and members of the planning department
18 from Kern County for being here, and for their
19 cooperation and helping us address some of the
20 issues that are important to Kern County, as well.

21 I hope I don't leave anybody out, but I
22 certainly wanted to make those --

23 ASSOCIATE MEMBER BYRON: Well, I think
24 you've left somebody very important out. Meg
25 Russell, who fed us all today.

1 (Laughter.)

2 ASSOCIATE MEMBER BYRON: Thank you, Meg.

3 MR. PALO: Well, Meg is a member of our
4 team; and, yes, she has done double duty, and
5 thank you for that. She would really let me know
6 later if I hadn't thanked her. So, Meg, thank you
7 for everything, the food, arranging for the bus
8 transportation, everything for the meeting.

9 Meg is also one of our development team
10 and is very involved in solar development, as a
11 full member of the team.

12 I do want to make one comment. I just
13 noticed on the white -- one of the forms that the
14 Energy Commission put together, our company
15 recently changed email systems. We're now on the
16 Microsoft Outlook. So the email address give to
17 me has now gone from the underscores to dots.
18 It's the same thing, just replace, put a dot
19 there.

20 But, you know, if you have questions on
21 the environmental side of things, or the technical
22 side of things, please feel free to, on the
23 environmental questions, to send an email, because
24 it's not on here, to kenneth.stine@fpl.com. And
25 on the technical solar, how does solar work, to

1 duane.mccleod@fpl.com. So I'd like them to share
2 with me any responses to questions. We're a team
3 of three or four. And, of course, Meg Russell, I
4 will give you her email here later; I don't quite
5 know what it is at this point.

6 Okay, let's begin. I just wanted to
7 quickly state, who is Beacon Solar. Well, Beacon
8 Solar is a wholly owned subsidiary of FPL Energy.
9 And FPL Energy is an affiliate of Florida Power
10 and Light, probably the third largest electric and
11 gas utility in the country, probably behind
12 Southern California Edison and PG&E, in terms of
13 customers, but a similar sized utility company.

14 Both FPL Energy and Florida Power and
15 Light are owned by FPL Group, which is a New York
16 Stock Exchange company. And so essentially, we,
17 Beacon Solar, are owned by a very large company
18 who is very dedicated to the solar energy
19 business, and, in fact, FPL Energy owns and
20 operates the largest existing solar facilities in
21 the United States right now. They are in the
22 State of California; they're referred to as Kramer
23 Junction and Harper Lake. And they're located
24 east of here for those of you that may have seen
25 them before traveling on 58 and 395, in that

1 general location.

2 The technology that we're proposing to
3 use at our facility is similar to what you might
4 have seen in at that facility. And I'll mention
5 that in a minute.

6 This slide just shows the types of
7 assets and the value of the assets that FPL
8 represents.

9 FPL Energy is probably the leading
10 independent power company in the United States.
11 We are the largest owner and operator of wind
12 energy facilities. We also own hydroelectric and
13 now nuclear power plants, as well as the solar
14 facilities that I mentioned earlier.

15 We are, as I say, -- skip the second
16 item there. We feel that solar energy is a
17 valuable part of our energy portfolio, and we're
18 dedicated to continuing development of new solar
19 energy facilities, which is why we're here today.

20 This is just a quick map to show you the
21 various facilities we have in the state. FPL
22 Energy operates outside the State of Florida, so
23 you'll see we don't have any FPL Energy facilities
24 in the state, because our utility operates there.

25 But those generally show a number of the

1 wind projects and other type facilities that we
2 have throughout the United States that one would
3 consider green facilities.

4 Our Beacon project objectives for this
5 project are to construct and operate, maintain an
6 efficient economic reliable, safe and
7 environmentally sound solar power generating
8 facility.

9 One of the objectives, of course, as
10 well, is to meet the State of California's
11 objectives mandated by SB-1078, the renewable
12 portfolio standards that the investor-owned
13 utilities have to meet for their energy that they
14 deliver to their customers.

15 And, of course, to meet the objectives
16 of the new AB-32 global warming -- state global
17 warming solutions Act of 2006.

18 This doesn't show very well, but for
19 those of you on the bus tour today this is
20 generally shows the location. It's very hard to
21 see on this slide. I don't think I'd use this one
22 next time. But, you can see a little -- I've got
23 a pointer here that shows, if I can use it -- so
24 that's the project site on highway 14.

25 The project overview, as mentioned

1 earlier, will have a proposed output of 250
2 megawatts. It'll use proven parabolic trough
3 mirror solar thermal technology. That's not
4 photovoltaic, that's an actual using the sun's
5 energy to heat a fluid. The fluid then heats
6 water to make steam. And the steam turns a
7 turbine generator, and that makes electricity.
8 That's the reason they refer to it as thermal.
9 And the mirrors are curved in a parabola form, so
10 that's why we call it the parabolic trough.

11 The solar energy will provide 100
12 percent of the power generated by the plant. We
13 will use some natural gas to keep the fluid warm
14 during certain times of the night, particularly
15 the winter months when it can get kind of cold.
16 The fluid has a temperature that it could get
17 rather viscous if it's not kept warm during the
18 evening hours.

19 This, again, shows -- and I didn't
20 realize this wouldn't show too well, but
21 essentially these are some of the elements of the
22 project. This is the proposed project site. It
23 actually contains all of the facilities. And then
24 there are two different alternative routes where
25 the transmission line that goes off of the site

1 down to the Barren Ridge Substation, which the Los
2 Angeles Department of Water and Power is currently
3 constructing and will be in place by the time our
4 facility starts up.

5 This is the route of the proposed
6 natural gasline that would go down to the existing
7 termination point of the larger Southern
8 California Gas pipeline. They do have a smaller
9 line in the street here, but it's not big enough
10 for us. And so we would have a new line about
11 17.5 miles up here along Neuralia Road up to the
12 project site, using the existing road right-of-
13 ways.

14 This is, for those of you that haven't
15 seen our existing facilities, this is a view of
16 what a parabolic solar trough facility looks like,
17 at least the mirror facilities. Here's the
18 parabola. The insolation comes in from the sun,
19 and these turn. They track the sun during the
20 day. And all of that sun's reflective energy is
21 reflected off of these mirrors back onto this
22 tube.

23 So if you were flying a plane up here
24 somewhere you would basically not see any back
25 reflection. It would all go onto that tube

1 surface. There's a metal tube in there painted
2 with a special black coating. And then
3 surrounding that is a glass cylinder, which is in
4 a vacuum. And then that has a coating on the
5 inside to prevent back-scatter. So it's a very
6 efficient absorption of the solar radiation from
7 the mirrors up to the tube.

8 There's an oil in there that gets hot,
9 that I mentioned. It's viscous at low
10 temperatures. And it goes down this way and
11 another loop comes back here. And eventually it
12 goes into a collector system where then a heat
13 exchanger, and that's where you make the steam.
14 And the steam turns the generator.

15 These are about a football field long,
16 Duane, is that right here? One of these --

17 MR. McCLEOD: Yeah, --

18 MR. PALO: Okay, and each one of these,
19 I don't know if you can see it, but each one of
20 these is a little mirror. And there's over
21 500,000 of these in our facility that we're
22 proposing. So that's a lot of labor involved in
23 building this facility. And there's a lot of
24 materials that you have to procure.

25 Here's a picture of one, as I say, these

1 will turn, and here's one turned down. It might
2 be the end of the day, or they might be doing some
3 work on it. And so, or if there's high winds you
4 can turn it out of the wind to keep the wind from
5 damaging it.

6 Here's a picture of how you wash these
7 mirrors. Everybody wants to know about dust. We
8 don't tolerate dust. We're a minimum dust; we
9 coat the surface of the ground. This is not
10 paved, but it's a very compacted dirt to prevent
11 dust. And here's a truck with de-ionized water
12 down the rows to clean the mirrors. I think this
13 happens once a week or so. Can't see what that
14 is, but here's again a mirror.

15 And then, of course, a larger look at a
16 field. You can see these people standing here. I
17 think the average height of these is no higher
18 than about 40 feet off the ground, would you say,
19 even when they're turned, is that roughly -- so
20 we're not a very high profile facility, -- power
21 plants that have high stacks. You can see that
22 you could probably drive by here a distance away
23 and probably not see much because of its low
24 profile.

25 I'll be very quick here because this is

1 all in the application. It's roughly a 2000-acre
2 site containing the arrays, the evaporation ponds,
3 the power block and the drainage channel. So our
4 whole site is going to be contained within this
5 2000 acres that we own, that Beacon Solar owns.

6 The new gasline, as I mentioned, 17.5
7 miles. And approximately 3 mile transmission line
8 over to the Barren Ridge Substation.

9 Kern County, we feel, is a very
10 excellent solar resource in the high desert here.
11 The site was previously disturbed by farming.
12 It's very close in proximity to the transmission
13 lines, and it has available groundwater that comes
14 with the ownership of the property for use for our
15 project.

16 Why the Mojave Desert. The darker the
17 red color, the better the solar insolation. And
18 so this map shows most of the western United
19 States, and essentially the Mojave Desert is one
20 of the best solar resources in the world, really,
21 but certainly in the United States, as well.

22 As part of our preparing the
23 application, we addressed all of these topics in
24 our application. I won't go into each of them.
25 We do have some slides on the ones that are

1 highlighted in color. But I know that they would
2 like to move the hearing along.

3 But we basically, in preparing the
4 application, tried to address all of the various
5 impacts that the project could have in these
6 various areas.

7 As far as biological resources, we
8 indicated that it had been disturbed. That
9 extensive surveys have been done on the site, and
10 along the transmission line and gasline right-of-
11 ways. We also have to address permitting with the
12 California Department of Fish and Game and with
13 the U.S. Fish and Wildlife Service for species in
14 the area. And we, of course, would prepare a
15 mitigation plan for any impacts that we would have
16 on the biology resources.

17 We do have two earthquake fault zones
18 present within the site. And so we, in designing
19 our facility, are addressing the effect of, you
20 know, the seismic events on the facility. And
21 that is also addressed in our application. This
22 is just to acknowledge that we're very much aware
23 of the geology of the area and the seismic
24 history.

25 Land use consistency. We do have some

1 work to do with working closely with the Planning
2 Department of Kern County as it relates to making
3 sure that we do everything required to make sure
4 that the use of the site is consistent with the
5 zoning and general plan and circulation elements
6 of the general plan that Kern County has in
7 effect. And we're working closely with them and
8 filing comments both with the Commission and with
9 the County to address their needs. So that's
10 something we're focused on.

11 Visual resources. I've mentioned that
12 the plant is fairly low profile. We don't expect
13 any significant glare that would have an impact on
14 the military operations. We are in a restricted
15 flight area, and we have presented the branches of
16 the military information about the project. And
17 they have provided correspondence back to us that
18 we've included in the application about the
19 compatibility of the facility with their
20 operations.

21 I do have a couple of slides here --

22 HEARING OFFICER CELLI: Gary, I'm sorry
23 to -- Ken Celli, on your right, over here. Just
24 trying to be mindful of the time. How many more
25 slides --

1 MR. PALO: Okay.

2 HEARING OFFICER CELLI: -- do you think
3 you have?

4 MR. PALO: Probably no more than -- let
5 me -- give me three minutes.

6 HEARING OFFICER CELLI: That would be
7 great.

8 MR. PALO: Shoot for three, is that --

9 HEARING OFFICER CELLI: Thank you.

10 MR. PALO: -- okay?

11 HEARING OFFICER CELLI: Thanks.

12 MR. PALO: Okay, I'll be real quick.

13 This is just a slide of the area as it
14 looks today. And here's a slide of what the area
15 would look like. It's very hard to see in this
16 slide. It's a projected view of what the plant
17 would look like at that same location once it was
18 built.

19 Here's a view of the road looking south
20 from the entrance of our site, down highway 14.
21 It shows what lines and things -- and here's our
22 transmission line crossing the road. And, again,
23 this doesn't show too well, but it's hard to make
24 out where the towers are. But I think I see a
25 tower crossing there and there.

1 Water is needed for the plant. It's a
2 thermal plant and we do need make-up water. As I
3 indicated, we want to use the existing groundwater
4 underneath our site for the make-up water. We
5 have existing onsite wells, but we're also looking
6 into alternative water sources, including
7 reclaimed water that the California City might
8 ultimately have from a water treatment facility
9 expansion that they might do here in the future as
10 part of the City's public works programs.

11 Here shows some of the wells on the site
12 now that were used prior for agriculture. There's
13 also right here showing an existing storm kind of
14 wash area. We propose to divert that around the
15 mirror facility and come this way, and bring it up
16 that way, so we would divert this channel that
17 way.

18 Groundwater usage. We are aware that
19 over the time that agriculture was prevalent on
20 this site, that there was a drop due to the
21 pumping. Agriculture uses a tremendous amount of
22 water, way more than what our facility would use.
23 And evidently there was a 200- to 250-foot drop in
24 groundwater levels at that time.

25 It's now come back quite a bit. And we

1 have addressed the impact of using our 1600
2 acrefeet a year on that recovery. And I won't go
3 into that now, but we have a very technical
4 analysis of that. And we feel that the effect we
5 would have would slow some of that rate of
6 recovery, but would not have a significant impact
7 on wells in the area.

8 Construction. We expect to begin -- our
9 goal is to begin construction in 2009, after any
10 licenses and other permits that are required are
11 issued. And right now we hope to be complete in
12 2011.

13 The project would be owned, as I say,
14 and operated by Beacon Solar. And the new gasline
15 would be owned by Southern California Gas Company.

16 That ends my presentation.

17 HEARING OFFICER CELLI: Thank you very
18 much. I'm sorry to have to rush everybody.

19 Next, Bill Pfanner from the California
20 Energy Commission Staff, will speak briskly.

21 MR. PFANNER: Very briskly. While
22 they're getting that set up, of course, I want to
23 thank you all for coming. This is an excellent
24 turnout. It is so critical to the process to have
25 public participation, and early public

1 participation helps facilitate the process. So,
2 again, great turnout, thank you so much for coming
3 today.

4 Again, my name is Bill Pfanner; I'm the
5 Project Manager for the Energy Commission. And I
6 have Jared Babula, who is the Staff Attorney. We
7 represent a staff of some 20-plus disciplines at
8 the Energy Commission that are here to review this
9 application for certification process.

10 So we have biologists, cultural
11 resources staff, environmental, engineers, water
12 hydrologists, all that are part of our team and we
13 are representing them here today.

14 So I'd like to briefly go through the
15 process here. It is a complex process. I'll keep
16 it as simple as possible, but just understand at
17 the end I'm probably the best person for you to
18 contact if you have questions, you know, how do
19 you get involved, what do you do next. I'm the
20 good person, and I do have a handout on how to
21 track me down.

22 So the purpose of the siting process is
23 to insure that a reliable supply of electrical
24 energy is maintained at a level consistent with
25 the need for such energy for protection of public

1 health and safety, for promotion of general
2 welfare and for environmental quality protection.
3 So that's Public Resources Code; that's kind of
4 broad language of what we do.

5 What the Energy Commission's role is, is
6 that we do have the permitting authority for
7 thermal power plants in the state of 50 megawatts
8 or greater, and related facilities. So, any
9 transmission lines, water supply lines, gas
10 pipelines, waste disposal, roads, et cetera, that
11 all falls under our jurisdictional requirement.

12 And if you're familiar with CEQA, the
13 California Environmental Quality Act, we do a
14 CEQA-equivalent process. So, many of the things
15 that we do may have different names, but it is a
16 CEQA-equivalent process.

17 In terms of our process, it's a three-
18 step licensing program. The first step is data
19 adequacy. And that is staff reviews the
20 application for certification to insure that they
21 have met the minimum requirements for an
22 application.

23 Now, if you see on the applicant's desk
24 there are two big six-inch binders over there.
25 That's an application. So, there's a lot of

1 information that comes in.

2 Staff reviewed the application and it
3 was deemed to be data adequate, which puts us
4 where we are now, which is the discovery phase.
5 So staff is looking at and analyzing the
6 information. We are going to be preparing data
7 requests, asking for more specific information on
8 the applicant. We'll be conducting issue
9 identification workshops. And we will be
10 preparing a preliminary and final staff
11 assessment.

12 So if you're familiar with CEQA,
13 preliminary staff assessment and a final staff
14 assessment are a lot like a draft environmental
15 impact report and a final environmental impact
16 report.

17 Staff makes a recommendation and then
18 the Committee conducts the evidentiary hearings
19 and makes the decision. So the Committee of the
20 two Energy Commissioners here today, led by the
21 Hearing Officer, would conduct evidentiary
22 hearings on the final staff assessment and public
23 input. And the Committee then produces what's
24 called the Presiding Member's Proposed Decision,
25 PMPD. And then the PMPD goes before all five of

1 the Commissioners for a final approval.

2 So, where we are now, if you think of it
3 as the staff discovery and analysis phase, staff
4 is kind of the center of the process right now.
5 So, we will be taking information from applicants,
6 from citizens, from legal agencies, from
7 intervenors, and all that information will be fed
8 into the staff to prepare its analysis.

9 During this discovery and analysis phase
10 staff determines if the proposal complies with
11 what we call LORS, laws, ordinances, regulations
12 and standards. So that's a term you'll hear us
13 say a lot. Does it meet LORS.

14 We will conduct engineering and
15 environmental analysis to identify issues,
16 evaluate project alternatives, identify any
17 mitigation measures that are feasible, and
18 ultimately make a recommendation on conditions for
19 the project.

20 We facilitate the public and agency
21 participation. And then staff produces the
22 preliminary staff assessment and the final staff
23 assessment, which is a recommendation to the
24 Committee.

25 So, staff does not make the decision.

1 Staff makes a recommendation based on the public
2 input, based on agencies, based on our workshops,
3 based on our technical objective analysis, we make
4 a recommendation then to the decisionmakers.

5 At that point it goes to the evidentiary
6 hearing and decision process, which the center of
7 that is the Committee and the full Commission.
8 And in that role you see staff provides
9 information, again, the public puts information
10 in, agencies put information in, all these key
11 players, again, are feeding information into the
12 decisionmakers, who ultimately make the decision.

13 The evidentiary hearing and decision
14 process. The Committee conducts hearings on all
15 information. They issue the Presiding Member's
16 Proposed Decision, and that contains findings
17 related to environmental impacts, public health,
18 engineering, the project's compliance with LORS,
19 recommendations, conditions of certification, and
20 a final recommendation whether or not to approve
21 the project.

22 The full Commission then votes on a
23 decision, and the decision, when it is done, if
24 the project is approved, the Energy Commission
25 then is responsible for monitoring and compliance

1 that all those conditions are met. And our
2 compliance section then, for the life of the
3 project, insures that all conditions in the review
4 and licensing are complied with. And that
5 includes the facility closure, which is typically
6 a 30-year process.

7 So right now we're conducting our
8 information gathering. We're working with local,
9 state and federal agencies. We have a very
10 extensive list. We always like getting more on
11 it. And I always am welcome to find out have I
12 missed an agency, is someone not getting noticed.
13 But just as a broadbrush idea, the staff is
14 working closely with the local Kern County, Public
15 Health, Waste Management, Public Works, Planning,
16 Building, fire, safety, sanitation. Would be the
17 cities in the area, California City, Ridgecrest,
18 Tehachapi and the Kern County specific districts
19 like the Air Pollution Control District, Regional
20 Water Quality Control Boards, Kern County Water
21 Agency.

22 On the state level a number of state
23 agencies, Air Resources Board, State Office of
24 Historic Preservation, the Department of Fish and
25 Game, Water Resources Control Board and Caltrans.

1 And then on the federal level, working
2 with such agency as USEPA, Fish and Wildlife
3 Service and Army Corps of Engineers. So these are
4 just a few of the many many agencies that we work
5 with.

6 Now, a bit about the public process.
7 This is a critical part, and we encourage an open
8 process. We conduct workshops and hearings. We
9 will get notices out at least ten days in advance
10 of the list. We have established a mailing list,
11 and that will be expanded on based on people who
12 may show up and present to the staff wanting to be
13 on the notification list.

14 And then there's also the listserver,
15 which is a good way to get an email sent to you of
16 all the things that get docketed. And I'll
17 explain more about that later.

18 The documents, the application for
19 certification was sent out to Kern County Public
20 Libraries in California City, Ridgecrest, Mojave,
21 Rosamond, Tehachapi. And then we also have it at
22 the public libraries where state documents go, in
23 Eureka, Sacramento, San Francisco, Fresno, Los
24 Angeles and San Diego. So the Energy Commission
25 Library in Sacramento has the information.

1 The website is an excellent source of
2 information, and I'll go into more of that later.
3 And then the dockets unit at the Energy Commission
4 dockets all information that enters into the
5 public record.

6 So, ways for you to participate is you
7 can submit written comments or statements to the
8 Commission. You can provide oral comments at
9 public meetings. You can become a formal
10 intervenor by contacting Nick Bartsch with the
11 Public Adviser's Office as he described earlier.
12 And you can provide written comments on the PSA
13 and the FSA and the PMPD.

14 So the listserver is a great way to get
15 notified. Whenever anything gets sent to the web
16 you'll get a notice and say this is what's gone
17 into the record. This information, I can explain
18 it in more detail later, of how you get on it. Be
19 careful what you ask for; a lot of information
20 gets put on these projects' website, so you'll be
21 getting a lot of notifications if you want to be a
22 server. But it's an excellent way to know what's
23 come in.

24 The Energy Commission's website, itself,
25 for the Beacon project. Again, I will provide a

1 handout that shows you how to do that. That will
2 give you all the information, maps, the
3 application, any technical reports. Everything
4 that gets docketed and put on the web you can
5 access through the Beacon website.

6 We're currently at the point of
7 preparing an issues identification report, which
8 is staff's way of identifying what we see, at this
9 point in time, as being the critical issues. And
10 staff's issues identification report has
11 identified some concerns regarding the project
12 description, air quality, biological resources and
13 soil and water resources.

14 And how we define what are the critical
15 issues are we try to -- the purpose of it is to
16 inform participants of what we see as the
17 potential issues. And for an early focus on the
18 important topics.

19 So the kind of things that we're looking
20 at with our issues identification report are what
21 might be a significant impact that may be
22 difficult to mitigate. Is there something that we
23 know right now does not comply with laws,
24 ordinances, regulations and standards. Are there
25 things that we see potential conflict between

1 parties about appropriate findings or conditions
2 of certification or Commission's decisions that
3 could delay the schedule.

4 And at this time the four areas that
5 we've identified in the issues identification
6 report, the first was project description, which
7 is kind of a broad topic. And it involved the
8 fact that the AFC identified moving 5.16 million
9 cubic yards of soil on the project site. So this
10 is a 2000-acre project site, that's a lot of soil
11 that's going to get moved.

12 So staff is saying without a more
13 thorough and comprehensive discussion staff can't
14 properly analyze the project's construction-
15 related impacts to their respective disciplines.

16 So we are conducting data requests in a
17 number of areas for staff to provide more
18 information. And the data requests are in the
19 process of being completed at this time.

20 Under air quality as a potential issue,
21 staff needs to understand how the particulate
22 matter, which we refer to as PM10, generated by
23 construction activities, will be managed and
24 controlled on an ongoing basis during each phase
25 of the construction.

1 Under biological resources, Pine Tree
2 Creek is proposed to be re-routed, resulting in
3 impacts to 8150 linear feet of the western channel
4 of this dry wash, and approximately 6000 feet of
5 the eastern channel. So staff has identified that
6 eliminating the current drainage features will
7 result in impacts to 13.7 acres of state-
8 jurisdictional wetlands. And there are concerns
9 about how this artificial channel could replace
10 biological and hydrological functions of the
11 natural drainage.

12 Under soil and water resources, staff
13 has identified that the proposed project's using
14 approximately 1600 acrefeet per year of high-
15 quality groundwater from onsite well for the site,
16 and that's for construction and for power plant
17 cooling.

18 And there's concern that the use of
19 fresh water for cooling could impact groundwater
20 supply, and adversely affect the sub-basin's
21 recovery from over-draft. We're looking at
22 alternative water sources such as brackish water;
23 and alternative cooling technology such as air
24 cooling that we will be considering as part of our
25 analysis.

1 And then the diversion of Pine Tree
2 Creek may cause severe erosion and flooding due to
3 un-naturally configured segments of the realigned
4 drainage.

5 So, again, those are at this point in
6 time. They're not, by any means, meant to be the
7 only issues that will be identified. It's just a
8 point to let the applicant, let the community
9 know, these are the issues that we've seen at this
10 point. And that we're just acknowledging.

11 So, this is a one-year process, 12
12 months. And we have prepared a preliminary
13 schedule. As my experience knows, schedules often
14 don't follow the path. This is the best case
15 scenario. Probably the important things to know
16 right now is that staff is in the process of
17 preparing their data requests, round one. And we
18 will be conducting in approximately 30 days a data
19 response workshop that would be noticed. And we
20 would be discussing many of these issues that we
21 just identified.

22 Another date to just keep in mind is the
23 preliminary staff assessment. We're looking at
24 the middle of October. We're looking at a final
25 staff assessment in early December. And then the

1 Committee's PMPD sometime we're looking at
2 approximately March 7, 2009. And then the full
3 Energy Commission hearing final decision
4 approximately early May, 2009.

5 Lots of factors go into meeting this
6 schedule. The applicant's timely response to
7 requests are critical. Agencies' response, such
8 as the Kern County Air Pollution Control
9 District's filing of their determinations of
10 compliance. Other determinations by local, state
11 and federal agencies. And factors that just pop
12 up. As you know, we don't see everything along
13 the road, and many times there are issues that can
14 come up that can impact a schedule.

15 So, project contacts. I did make a copy
16 of this page; it's in the back. I am probably the
17 best person on your day-to-day basis to contact.
18 I have a phone number and email address there.
19 The webpage is also listed to find out what's
20 going on with the Beacon project, as well as the
21 applicant's contact, which is not underscore, it's
22 fixed there, I see. And Nick Bartsch of the
23 Public Adviser's Office.

24 And I think we'll hold questions for the
25 end.

1 HEARING OFFICER CELLI: Very good.

2 Thank you for your quick -- I'm sorry to rush
3 everybody, but we're now in a bit of a time
4 crunch. Mr. Bartsch, if you wouldn't mind
5 approaching -- Nick Bartsch, if you could just
6 approach ongoingly with the blue cards, I will
7 have those.

8 Rachael Koss, you are representing CURE.
9 Would you care to make comment about your -- the
10 intervenor, please.

11 MS. KOSS: Thank you. We don't have any
12 comments at this time.

13 HEARING OFFICER CELLI: Okay. Thank you
14 very much. Brevity is greatly valued at this
15 point.

16 So, folks, you've heard what the
17 schedule entails in the next year. And you've
18 heard some of the issues that were raised by the
19 staff, as staff sees them.

20 So now what we'd like to do is, first of
21 all, hear if Beacon cares to respond to the issues
22 identification or the schedule, and has any
23 problem with any of that at this point.

24 MR. PALO: No, we have no comment about
25 that.

1 HEARING OFFICER CELLI: Thank you. Very
2 good. We now are going to move to the public
3 comment part. And as soon as -- you can see Mr.
4 Bartsch is passing out these blue cards. And what
5 we do, ladies and gentlemen, is when I receive
6 these cards, I call people in the order that I
7 receive them in. But before we get to that, we
8 had some local luminaries we wanted to hear from
9 first.

10 So, Supervisor Maben, did you wish to --
11 he, okay -- but we do have Ms. Oviatt, Lorelei
12 Oviatt, did you wish to make some comments? Okay.
13 Please when you approach state your name, speak
14 into the microphone.

15 MS. OVIATT: Thank you. I am Lorelei
16 Oviatt; I'm a Division Chief with the Kern County
17 Planning Department. I'd just like to note that
18 this project is completely located in
19 unincorporated Kern County.

20 The Kern County Planning Department and
21 Kern County has successfully worked with the
22 California Energy Commission on the siting and
23 approval of three power plants in Kern County. We
24 are very familiar with the process, and we very
25 much appreciate your staff consultation.

1 Our primary concerns, which we have
2 delivered to staff and will continue to work with
3 them, focus on water supply, impacts on public
4 services and infrastructure. And, of course,
5 we're very interested in hearing the citizens'
6 concerns. And we would be interested in knowing
7 what those are.

8 We will be recommending conditions to
9 address some of these various concerns, and we are
10 always available for questions. We thank you very
11 much for having these local meetings.

12 HEARING OFFICER CELLI: And thank you so
13 much for coming. We also had someone from the
14 Kern County Air Pollution District, is that
15 correct?

16 MR. CRAVENS: Yes.

17 HEARING OFFICER CELLI: Did you care to
18 make a comment?

19 MR. CRAVENS: Pretty much covered it.
20 They're just waiting to get our --

21 HEARING OFFICER CELLI: And, Mr.
22 Bartsch, if you wouldn't mind coming forward with
23 the blue cards right away.

24 MR. CRAVENS: Jeremiah Cravens, Air
25 Pollution Control. As he had mentioned, he had a

1 September 08 deadline. One of our top engineers
2 is running the calculations. Everything should be
3 on schedule as far as I know.

4 HEARING OFFICER CELLI: Thank you.

5 MR. CRAVENS: That's really about it.

6 HEARING OFFICER CELLI: And thanks for
7 being here, we appreciate it. Would you make
8 yourself available to people's questions --

9 MR. CRAVENS: Oh, yeah.

10 HEARING OFFICER CELLI: -- as we
11 proceed?

12 MR. CRAVENS: No problem.

13 HEARING OFFICER CELLI: Thank you so
14 much. From Kern County, so anyone else from the
15 County level?

16 MR. DIEI: Just to go on record for my
17 attendance, John Diei with the Kern County
18 Assessor's Office. I'm an appraiser with the
19 natural resources section.

20 HEARING OFFICER CELLI: Thank you very
21 much. Thank you for being here.

22 Okay, now from the City of California
23 City, Mayor Evans. Is he still here? Please.

24 MAYOR EVANS: I think Lorelei from Kern
25 County Planning made some very good comments. I

1 would piggyback off those.

2 Unfortunately, I haven't had the luxury
3 of seeing, at this point in time, what reports
4 there are on impacts. And I'd certainly be
5 interested in seeing that. I'm assuming there's
6 going to be an opportunity for that in the
7 process. As long as that is going to occur, that
8 will be fine. I think that would be a wonderful
9 place for us to start.

10 Obviously this is a preliminary meeting,
11 so it sounds like it's just going to be a year's
12 worth of process here. And an opportunity for the
13 City to comment, as well as other jurisdictions.
14 So, thank you.

15 HEARING OFFICER CELLI: Thank you,
16 Mayor.

17 ASSOCIATE MEMBER BYRON: Mayor Evans, if
18 I could for just a moment. I suspect you're not
19 accustomed to addressing the dais, as you normally
20 sit up here.

21 (Laughter.)

22 ASSOCIATE MEMBER BYRON: And I wanted to
23 thank you very much for lending us your facility
24 today.

25 MAYOR EVANS: I told Mr. Celli not to

1 get used to the chair --

2 (Laughter.)

3 MAYOR EVANS: -- but it's kind of nice
4 to address from here. But I am being very good
5 and on my best behavior, so I'm going easy on you.

6 ASSOCIATE MEMBER BYRON: Good. Well,
7 Mayor, could you get that microphone fixed, maybe,
8 for the next --

9 (Laughter.)

10 MAYOR EVANS: No.

11 HEARING OFFICER CELLI: Thank you very
12 much, Mayor Evans. And, folks, just so you know,
13 every hearing, every action that is taken is
14 always noticed and publicized. And so you will
15 all be aware of things well in advance before they
16 occur so that we can have maximum participation.

17 Were there any other -- we have the City
18 Manager, Linda Lundstrom (sic)?

19 MS. LUNSFORD: Lunsford.

20 HEARING OFFICER CELLI: Lunsford, I'm
21 sorry. Did you wish to comment?

22 MS. LUNSFORD: No.

23 HEARING OFFICER CELLI: Any City
24 Councilmen care to comment? Please. This is Mike
25 Edmiston, City Councilman.

1 COUNCILMEMBER EDMISTON: Not as tall s
2 the Mayor is. I hope it's getting through. I'd
3 like to thank you all for holding this here on
4 behalf of the City Council and the City.

5 Mike Edmiston, Councilmember for
6 California City. You have a card up there. I do
7 have a couple of issues. If I may, I'd like to do
8 them now and save some time.

9 HEARING OFFICER CELLI: Please.

10 COUNCILMEMBER EDMISTON: We're very
11 concerned about water here in the Valley. Right
12 now you're going to be tapping -- this agency is
13 going to be tapping into our water aquifer.

14 The information we have is not
15 consistent with the information that was just put
16 out. And I understand staff is going to really be
17 looking into that. So, I hope they include
18 California City and our departments and our city
19 manager in this discussion. Because it's very
20 important. We're about to lose a large portion of
21 ABAC coming next year because of the cutbacks in
22 the state. And therefore, we're concerned about
23 what we do have underneath our feet.

24 And right now the understanding is the
25 recharge is not keeping up with the utilization we

1 have. And we're only using 40 percent of it for
2 our city. And we have other users right now. So,
3 we would like to see that.

4 The other item I have on there is we had
5 a lot of sludge deposited somewhere in that
6 general area by L.A. County before the County of
7 Kern turned it off. I just want to make sure that
8 this site does not contain any of that sludge,
9 which could be a biological hazard to not only the
10 inhabitants of the area there, but also the
11 workers. So that might be something to look at,
12 also.

13 Thank you very much for your time, and
14 thank you.

15 HEARING OFFICER CELLI: Thank you for
16 your comments. I think we have covered all of the
17 local agencies and people in political positions.
18 Is there anyone else that I've missed? I see
19 none, so I'm going to go right ahead now to the
20 public.

21 Ace Miller, are you still here? Please
22 speak right into the mike.

23 MR. MILLER: Thank you. Ace Miller,
24 Rancho Seco Water District in Cantil. And we're
25 about like everybody else around here, we're kind

1 of worried about the water usage.

2 And you're saying 1600 acrefoot per
3 year. And the ranch only used 6- to 8-acrefoot
4 per year. And they was into a high density growth
5 of alfalfa and sugar beets.

6 And so we're looking at this, and I
7 don't know where Fairmont's getting their water
8 at. But our water table's dropped. In the last
9 three years our water table has dropped three
10 foot.

11 And so we're really concerned about
12 this. And I'm trying to figure out where you're
13 using all this water at. If you're using 1600
14 acrefoot -- this system is going to be a closed
15 system. You've got to have a boiler and a
16 condenser to use the water.

17 And so we're not shooting straight steam
18 into a turbine and letting go to the atmosphere.
19 We've got to be reclaiming the steam. And so
20 you're using 1600 acres of water. That's a lot of
21 water. And here we're trying to conserve, like
22 everybody else in the State of California is
23 trying to conserve water. And here all at once,
24 boom, you guys are using it all up on us.

25 And the other concern we do have is air

1 pollution. Because, as you all know, we are going
2 through a drought. And out in the Cantil area
3 right now we have nothing but blowing sand. And
4 right now we're trying to -- Kern County is in --
5 we're developing berms, trying to hold the soil
6 erosion. And now we're talking 2000 acres of
7 clearing. And so that's going to be a matter of
8 air pollution there. So that is one of our
9 concerns there.

10 And so, but I do want to thank everybody
11 for hearing what was said.

12 HEARING OFFICER CELLI: Thank you for
13 your comments. Let's see, Lorelei -- oh, yeah,
14 now didn't we already hear from Lorelei? Oh,
15 well, thank you for filling out the form. We
16 appreciate that. It's good to have a record of
17 who was here.

18 Now, Bob Westbrook, are you still here?

19 MR. WESTBROOK: Yes.

20 HEARING OFFICER CELLI: Please.
21 Everyone, please do your best to speak right into
22 the microphone so we get a -- oh, good.

23 MAYOR EVANS: A couple things.
24 Everybody in the room needs to turn off
25 cellphones. We have a problem with that. I cuss

1 these mikes all the time, by the way. You have to
2 speak right into it; all the cellphones need to be
3 off; and maybe the best thing to do for this mike
4 is to hold it, and then pass it on to the next
5 person.

6 HEARING OFFICER CELLI: Thank you.
7 Thank you, Mayor.

8 MR. WESTBROOK: I'm Bob Westbrook. I'm
9 down from Ridgecrest, and I'm really representing
10 myself, but we have a proposed solar plant which
11 is very similar, 250 megawatt solar plant,
12 proposed on BLM property up in the Indian Wells
13 Valley. So, I'm just an interested participant.

14 I wondered what the projected cost of
15 the power generated from this site was going to
16 be?

17 HEARING OFFICER CELLI: These questions,
18 folks, are not rhetorical. And so we're going to
19 allow the applicant to actually answer questions.
20 This is your opportunity to both make a comment
21 and ask questions of the applicant or staff.

22 MR. WESTBROOK: Yeah, and I assume this
23 proposal is only a viable proposal if there's wet
24 cooling, is that correct?

25 MR. PALO: You mean --

1 HEARING OFFICER CELLI: Yes. Do you not
2 have a mike over there? Please, go ahead and
3 answer, Gary.

4 MR. PALO: The pricing of the energy
5 from a facility like this is subject to
6 negotiation of a power agreement for a specific
7 length of term, 20 or 30 years. With each of the
8 electric utilities -- that discussed that with us.
9 And it depends on the interested party being the
10 customer and what their length of term is. That
11 affects the price because we are building a large
12 capital facility like this.

13 This facility will cost roughly a
14 billion dollars. The longer the term of the
15 contract the lower the price over that (inaudible)
16 on a short contract, signed later.

17 So it's hard to describe exactly, but it
18 would be roughly consistent with other renewable
19 types solar projects that are being bid,
20 (inaudible) contracts being signed for other
21 projects. I think it's probably north of 10 cents
22 a kilowatt hour, but I can't remember all the
23 specifics because it's based on so many
24 assumptions about the length of contract terms,
25 and --

1 MR. WESTBROOK: Okay.

2 MR. PALO: -- other things such as --

3 MR. WESTBROOK: Okay, but it would be
4 less than 15 cents a kilowatt hour?

5 MR. PALO: I can't say, I really can't
6 say that. We don't really publish those numbers
7 because we're covered by negotiations and other
8 things. But, solar energy is slightly more
9 expensive than wind power, generally, so that wind
10 sites (inaudible).

11 HEARING OFFICER CELLI: Thank you, Mr.
12 Westbrook. Ralph Lachenmaier. I'm sorry if I
13 mispronounce anyone's name. Lachenmaier.

14 MR. LACHENMAIER: You did a good job on
15 that. I'm here also from Ridgecrest, and I'd just
16 like to follow up just a little bit. Does this
17 mean the plant is infeasible if you don't get the
18 water for wet cooling?

19 MR. PALO: No, not at all. It depends
20 again on the willingness of the customer to bear
21 the cost of a dry cooling system, if that's your
22 question.

23 MR. LACHENMAIER: Yeah, that's exactly
24 the question.

25 MR. PALO: The prior gentleman did ask

1 that. And my mind was just addressing the first
2 part. Dry cooling, as I mentioned, I don't know
3 if I said it on -- or not, adds about 15 percent
4 to the capital cost. So, in the end that adds to
5 the price of the energy, as well.

6 MR. LACHENMAIER: Okay, so you got the
7 capital cost, plus it costs you more to -- it's
8 got to run less efficiently on --

9 MR. PALO: It does run less
10 efficiently --

11 MR. LACHENMAIER: -- so that's another
12 10 percent or something?

13 MR. PALO: -- so we did address in the
14 application --

15 HEARING OFFICER CELLI: Excuse me, Gary,
16 you need to --

17 (Parties speaking simultaneously.)

18 MR. PALO: Is that coming through?

19 HEARING OFFICER CELLI: Yeah, now it is.

20 MR. PALO: -- like this. We did
21 address, in the application, the cost of the
22 impact -- the financial impact of dry cooling. I
23 don't remember the exact numbers, but we did try
24 to get that. I know the Energy Commission will
25 have more questions about that analysis.

1 But there is an increased capital cost
2 in the range that I mentioned, and in the
3 operative costs based on the electricity required
4 to run dry cooling.

5 MR. LACHENMAIER: Okay. My other real
6 question was the -- you don't have any facilities
7 for night/day, summer/winter, when the sun isn't
8 out, and no thermal storage, as I understand it.
9 And I guess I'm trying to understand what that
10 means.

11 Now, I know at Kramers Corner, or I
12 think I know, I wasn't here then, but they had to
13 add a natural gas-fired plant in order to even out
14 their electricity over the year.

15 And I guess I'm wondering is that a
16 possibility for this, that you'll be forced to add
17 a natural gas plant at a future time? Or maybe
18 from the CEC, how is that regulated? If they
19 don't have the thermal storage, do you people take
20 responsibility for seeing that the day/night,
21 summer/winter power needs are balanced out?

22 HEARING OFFICER CELLI: That would be a
23 question, Mr. Pfanner.

24 MR. PFANNER: That will be reviewed in
25 our analysis. I don't have an answer for that

1 right now, but that is -- it will be part of our
2 consideration.

3 MR. LACHENMAIER: Okay. So at this
4 point you don't know if you'd end up with a gas
5 plant here, as well, like they did at Kramer
6 Corner?

7 MR. PFANNER: I don't know the answer to
8 that. That would be part of our alternatives
9 analysis.

10 MR. PALO: I can say that there's a very
11 strong preference on behalf of the electric
12 utilities to have 100 percent renewable project.
13 Because that is what the legislation today is
14 calling for. That is what they're directed, in
15 preventing more global warming, and the RPS
16 programs of the utilities.

17 So, our facility wouldn't satisfy that
18 test of being 100 percent renewable energy project
19 if you added the type of equipment that would
20 provide for gas-fired -- generation. Not only
21 would it add to the cost of the facility, but it
22 would reduce the value from the standpoint of
23 being 100 percent renewable.

24 MR. LACHENMAIER: Okay.

25 MR. PALO: I mean, it's not the focus of

1 the utilities --

2 MR. LACHENMAIER: Yeah. Ridgecrest is
3 getting a power plant, a solar power plant
4 proposed there. And they were rather adamant
5 about having a solar storage facility to average
6 out the night/day. And I guess it struck me as
7 you're taking a very different tack here. So I
8 just mention that.

9 The other question I had, if I can
10 finish it up, the ground treatment that you talked
11 about to keep down dust, I hope that's a
12 nonpolluting type material, not motor oil or
13 something like that.

14 MR. STINE: We use an approved
15 compacted, and I don't know, Duane might know the
16 actual material that we use. It's -- I know the
17 Energy Commission requires what we use be approved
18 by both Lahontan and the CEC.

19 MR. LACHENMAIER: Okay, --

20 HEARING OFFICER CELLI: That's Kenny
21 Stine speaking. When you kind of go back and
22 forth I need you to re-introduce yourselves for
23 the record. Thank you.

24 MR. STINE: Okay.

25 ASSOCIATE MEMBER BYRON: Excuse me, Mr.

1 Lachenmaier, those are both very good questions.
2 I can tell you, as a Commissioner on this case, as
3 well as before the full Commission, I'm very
4 concerned about the water usage.

5 A number of you have mentioned that
6 already, and probably some more will be mentioning
7 it, as well. So that's a significant issue that
8 we'll be looking at very closely on this case.

9 We're also fortunate enough to have here
10 today the Division Director, or the Deputy
11 Director from our Siting Division. And perhaps
12 Terry O'Brien could help provide a little bit
13 better answer to your second question about the
14 gas plant and the possibility of storage.

15 Terry, would you mind stepping forward
16 on that?

17 HEARING OFFICER CELLI: Mr. Bartsch, if
18 you have any further blue cards for me, would you
19 bring them up, please.

20 MR. O'BRIEN: I would say that in
21 response to the question on natural gas, is that
22 if the applicant, at some point in time, decided
23 to make a modification to their facility in order
24 to add a natural gas-fired facility, then they
25 would have to file a new application with the

1 Commission if that natural gas-fired power plant
2 were 50 megawatts or greater in size.

3 If less than 50 megawatts, they still
4 have to go through the Commission for approval.
5 We would process that as an amendment.

6 So, that would obviously raise new
7 issues, new environmental issues, or the air
8 pollution emission issues. And it would get a
9 thorough review by the Energy Commission.

10 HEARING OFFICER CELLI: Thank you, Mr.
11 O'Brien.

12 MR. LACHENMAIER: Thank you.

13 HEARING OFFICER CELLI: Thank you, Mr.
14 Lachenmaier. Ken Collins, are you still here?
15 Ken Collins.

16 MR. COLLINS: My name is Ken Collins.
17 I'm a 21-year resident of California City. Seen a
18 lot of things happen in this community and
19 surrounding area.

20 I wanted to -- I went out of my way to
21 make a little t-shirt says solar power. I'm
22 totally in favor of this. The only drawback that
23 I can see that maybe even would hinder the project
24 is the water issue. That's going to be a great
25 issue that's going to have to be overcome.

1 But the reason I'm speaking,
2 Commissioners, I want to take my hat off to you
3 people for coming down here and putting this
4 meeting in our community. I think it's great that
5 you're having it here in this community. It could
6 have been somewhere else. And I want to commend
7 you all for your efforts of coming here, putting
8 forth all your time and effort.

9 And I wanted to replace my hat. I made
10 a special hat. I need to liven up the meeting a
11 little bit.

12 ASSOCIATE MEMBER BYRON: I hope it's a
13 Boston Celtics hat.

14 (Laughter.)

15 MR. COLLINS: It's a solar hat.

16 (Applause.)

17 MR. COLLINS: I heard that you guys are
18 using solar mirrors for the electricity. I had a
19 question that I'm hoping that somebody can answer.
20 You're talking about 250 megawatts. I never heard
21 it corresponded into amount of households. How
22 many normal households would that supply power
23 for?

24 HEARING OFFICER CELLI: Mr. Pfanner.

25 (Laughter.)

1 MR. COLLINS: I'm just talking about
2 everyday households, not, you know, industry and
3 different stuff like that.

4 MR. O'BRIEN: One megawatt for about 750
5 households.

6 MR. COLLINS: So, what is that total
7 number correspond to, then?

8 ASSOCIATE MEMBER BYRON: About 15,000
9 households, I think. Right? Seven --

10 (Parties speaking simultaneously.)

11 HEARING OFFICER CELLI: 150,000.

12 ASSOCIATE MEMBER BYRON: 150,000.

13 MR. COLLINS: Okay. I think it's --

14 ASSOCIATE MEMBER BYRON: I'm trying to
15 do some quick multiplication in my head.

16 MR. COLLINS: Okay. That would be more
17 than ample to supply solar power for this
18 community. We're about 12,000 now and continuing
19 to grow gradually.

20 And also I wanted to comment that this
21 is going to -- if this plant goes in fruition and
22 comes online and during the construction this
23 plant will have a great impact on our community,
24 as a whole. It'll be a big economic stimulus for
25 this community because we are the closest

1 incorporated city to the project area.

2 Ridgecrest is an incorporated city.

3 It's nearby, but we are the closest incorporated
4 city. And we have a city charter; we have a city
5 manager, a mayor and city council.

6 And also I'm in hopes that -- I brought
7 something else today. It's kind of a little bit
8 premature, but I wanted to show you something else
9 I brought today.

10 How about a little golden shovel. I'm
11 in hopes that in about a year from now I can go
12 out there with you all to come and dig a little
13 bit of dirt. So I wish it was happening today,
14 but, you know, hopefully in about a year, maybe a
15 little bit more, maybe a little bit less, I'll be
16 out there with you all with my little golden
17 shovel digging a little bit of dirt.

18 So, in closing I wanted to thank you all
19 for coming and thank you for being here.

20 HEARING OFFICER CELLI: Thank you, Mr.
21 Collins.

22 (Applause.)

23 HEARING OFFICER CELLI: We greatly
24 appreciate your comments.

25 Is Ed Waldheim here? Friends of Jaw

1 Bone.

2 MR. WALDHEIM: Ed Waldheim, President of
3 Friends of Jaw Bone. Welcome to our city, welcome
4 to Cantil. Cantil's zip code 93519. I bring that
5 up, too, because I want to make sure that the
6 applicant does use the zip code of Cantil, because
7 the post office boxes at the Jaw Bone Station,
8 which I'm responsible for, for the Bureau of Land
9 Management 93519.

10 Congressman Thomas is the one who got us
11 the zip code, because otherwise -- I mean he kept
12 us from losing it. Otherwise we would have not
13 been part. You get your P.O. Box from the
14 California City Post Office Box, but the box will
15 be at the station when you come and get your mail.
16 So I hope you keep that zip code.

17 We want to welcome you all to the City,
18 as Kim said, on behalf of the economic development
19 corporation and the Chamber of Commerce. As you
20 drove through the town I hope you saw the
21 restaurants that we have in town. We don't have a
22 hotel; that's one that keeps eluding us. So we
23 have to put tents up and so forth.

24 We have lots of homes here. We hope
25 that when you start getting your folks coming up

1 this way you remember that California City is the
2 closest for you. You don't have to travel that
3 far to go. And we've got lots and lots of homes
4 for you to rent or buy, whatever you want to do.

5 Got a good golf course here; it's a
6 championship golf course. So we hope you make use
7 of that.

8 When you have your employees, we want to
9 make sure that we somehow set up a bus schedule.
10 We had the major general from Edwards Air Force
11 Base address us the other day. And there seems to
12 be, with the gas situation right now, a lot of
13 folks traveling between here and Edwards Air Force
14 Base. Don't seem to get their act together as far
15 as timing. It's a lot of driving, a lot of
16 pollution.

17 And so I would like to see that if we
18 possibly can, incorporate those folks who live and
19 work here in the City, and you probably will have
20 offices here in the City. We have commercial
21 buildings for you to establish your office here in
22 the City, that possibly you can establish a bus
23 service between here and there so we don't have to
24 have hundreds of cars going down Neuralia.

25 Because what you did today was the long

1 way around, because you could have gone Neuralia
2 and bingo, you were right there, in eight miles
3 you would have been there. So we hope --

4 (Laughter.)

5 MR. WALDHEIM: -- who's laughing on
6 that?

7 Anyway, the big issue also that we have
8 is access. Access for the public, access issues
9 along the project. I already talked to Mr. Palo
10 on that issue there.

11 Here out in the desert in the west
12 access is the key. Wherever you go, access is a
13 tremendous key. It may look like nothing, but a
14 trail and a road is an access. We live based on
15 these accesses that go to hunting and mining and
16 recreational things. So access is a big key. So
17 we want to work very closely with the applicant to
18 make sure that the access is there.

19 Another thing is the dust. The dust is
20 the thing that's really killing us right now, as
21 the citizens from Cantil have told you. The Honda
22 Proving Center, and I don't know if Steve is here
23 or not, but he has had to shut down his Honda
24 Proving Center a whole bunch of times because of
25 dust coming across from the subject property,

1 across Neuralia, and over into his Honda test
2 track.

3 Somehow we need to figure out what to do
4 with that. I notice on their map you don't get
5 all the way to Neuralia, you're back because of
6 some private properties. But we need to really
7 study what is happening with the moving of the
8 sand in that area.

9 Kern County Road Department is
10 constantly working with the tractors, and I shared
11 that with Kenny earlier. They're constantly
12 having to move just about every week they're
13 having to bring a big skip-loader and move the
14 sand off of the road. The wind here has been
15 absolutely tremendous, absolutely tremendous.

16 The water issue we always talk about
17 that. We want to make sure that somehow we work
18 with the California City as far as the recycled
19 water. I think it will be a win/win for all of
20 us. It's quite a ways away, but still it would be
21 a win/win if we can make sure to look at the
22 utilization of that.

23 Because sometimes when we have house
24 boom increase, boom citizens coming in, a lot of
25 water being used, the ponds get pretty full. I

1 mean they get full sometimes in the park, which is
2 the recycled water. It gets up onto the sidewalk
3 and starts walking into the parking lot, because
4 where are we going to put it, we can't get rid of
5 it.

6 And so there is an opportunity to, you
7 know, really get something done with the City, if
8 you can work with the City very closely on that,
9 that should be very very good.

10 So, anyway, again thank you for coming
11 to the City. And I echo for you having it here,
12 very much. And I hope we become good neighbors
13 with Cantil, with California City and with the
14 applicants, the energy facility.

15 Want to thank you for everything you're
16 doing. Thank you.

17 HEARING OFFICER CELLI: Thank you for
18 your comments. Nancy Devlin. Is Nancy Devlin
19 still here?

20 MS. DEVLIN: Hi, I'm Nancy Devlin; I'm a
21 property owner in Cantil. And a couple of the
22 things that I would like to know about, we moved
23 to the desert to be able to see our stars. And
24 what I'm wondering about is lights at night. And
25 also noise. We come to the desert to live, to

1 stay away from the noise and away from the lights.

2 How is that going to be handled?

3 MR. PALO: Duane, would you like to
4 discuss the lights and noise --

5 HEARING OFFICER CELLI: And, Duane, if
6 you would, please, identify yourself on the
7 record.

8 MR. McCLEOD: Duane McCleod, FPL,
9 Project Engineer. One of the -- I guess it's a
10 perspective, one of the beauties of a solar power
11 plant is it doesn't run at night. And we have
12 done noise analysis on the site that indicates
13 that because of where the noise generation is,
14 which is the power block, which is the middle of
15 the site, it's a long ways away from the edge of
16 the site, and even farther away, away from any
17 residential areas.

18 Even when the plant's running there's
19 virtually no type of noise, below significance
20 levels. At night the plant won't be running. So
21 the noise that's even there during the day, with
22 the exception of a few vehicles onsite, basically
23 there won't be any.

24 In terms of lights, the facility, in
25 general, it will only be lit on critical roads,

1 which in the case of this facility is essentially
2 mid -- from the highway on 14. In terms of
3 operating lights from when the facility's in
4 service, just because it's power -- we don't want
5 to use it if we don't have to. Things are
6 regulated on when they come on, on a need-to-be
7 basis, so there's motion detectors and that kind
8 of thing inside the plant, itself.

9 Again, since it's a daytime operation
10 only, it's a very very minor issue.

11 MS. DEVLIN: I mean as far as security
12 lights, because I know you can see DWP from our
13 property at night.

14 MR. McCLEOD: Security lights, the only
15 thing that will be right at the power block,
16 itself, and that'll just be kind of in the middle.
17 It's a mile and a half to 14, it's actually about
18 a mile and a half into the property from pretty
19 much any direction you go into it.

20 MS. DEVLIN: Okay, so from let's say
21 Cholla and Quartz, that's where the berm is on the
22 property.

23 MR. McCLEOD: I'm not quite sure where
24 that's at.

25 MR. SPEAKER: A mile and a half from

1 Neuralia. The power block --

2 MR. McCLEOD: Right.

3 MR. SPEAKER: -- is a mile and a half
4 from Neuralia. I'm not sure where Quartz Road is.

5 MS. DEVLIN: Quartz is just right on the
6 other side of the farmland.

7 MR. SPEAKER: A mile and a half --

8 MR. McCLEOD: Right, yeah, the lighting,
9 I mean the lighting's all downward facing. It's
10 all onto the road, itself. That's become standard
11 practice. And I won't speak for Bill, but I think
12 we'll see that discussed as we go through the
13 licensing process about how we'll light the
14 facility.

15 MR. PFANNER: Correct. These topics
16 will all be discussed in detail through our
17 workshops; and then in the environmental analysis.

18 MS. DEVLIN: Okay. And one other
19 question, why weren't any of us in Cantil informed
20 about this earlier? We had to read it in the
21 newspaper.

22 I mean Cantil is a little bitty place,
23 but we still count.

24 HEARING OFFICER CELLI: You know, I
25 would speak to that and just say that the Public

1 Adviser's Office does their best to hit everybody
2 within a one-mile and a six-mile radius. And then
3 they put out advertisements in the local
4 newspaper, as they did. And sometimes they do
5 inserts at the schools.

6 So they do what they can. And luckily
7 you got word, because you're here.

8 MS. DEVLIN: Well, luckily -- I live in
9 Los Angeles right now. And luckily I subscribe to
10 the newspaper.

11 ASSOCIATE MEMBER BYRON: Well, Ms.
12 Devlin, this is also an information hearing. Part
13 of this is just to get the word out. So, we're
14 glad that you got it. Please let others know, as
15 well.

16 MS. DEVLIN: And I appreciate this
17 meeting, thank you.

18 ASSOCIATE MEMBER BYRON: Thank you.

19 HEARING OFFICER CELLI: Thank you, and
20 thank you for your comments.

21 Is Michael Sellard, Sellard, sorry if I
22 mispronounced your name, Sellard.

23 MR. SELLARD: It's Michael Sellard. I
24 really appreciate the opportunity that you're
25 going to give to this area economically.

1 And, you know, we have some resources
2 here. One is sand, that's not of much value. We
3 don't have any rain. And we got plenty of solar;
4 we got wind. And so I think this is really good.

5 The other thing is, as I understand,
6 there's a state law in California that says
7 approximately 20 percent of power is supposed to
8 be renewable in so many years. Is that correct?

9 HEARING OFFICER CELLI: Yes.

10 MR. SELLARD: Okay, where are we at
11 right now, approximately, in that --

12 ASSOCIATE MEMBER BYRON: Commissioner,
13 would you care to answer that question?

14 PRESIDING MEMBER DOUGLAS: We are at
15 approximately 11 percent right now.

16 MR. SELLARD: 11 percent.

17 ASSOCIATE MEMBER BYRON: Yes, we're not
18 doing as well as we would like to be.

19 MR. SELLARD: Okay, so this is
20 progressive and this is good that Florida Power
21 Energy is bringing this project online. And,
22 again, you know, we have to have energy. I guess
23 we could have a coal plant someplace bringing it
24 in from some other state, because they're not
25 allowed here.

1 But this project has no carbon, except
2 for some of the vehicles after it's built. And I
3 think that's really good.

4 The water issue needs to be resolved as
5 communication between all parties. Sounds like
6 these guys are communicating, and that's good.

7 The air pollution thing that somebody
8 brought up about the blowing sand, which happens a
9 lot in that area, this project has the breadth and
10 the scope and the size that will mitigate some of
11 those issues. It won't take care of all of it,
12 but it really really will make a difference.

13 Hopefully the FPL will consider the
14 local people for construction, not bring people
15 from unions from L.A. and so forth in here to do
16 it. Hopefully it's done -- we have a lot of good
17 people in the area. There's a lot of people
18 without work right now. And there's a lot of good
19 talented people in this area, also.

20 Thank you very much.

21 HEARING OFFICER CELLI: Thank you for
22 your comments.

23 ASSOCIATE MEMBER BYRON: You know, if I
24 may just add, I note that some folks seem to be in
25 favor of this project, and some seem to be against

1 it. Would you mind, just by a show of hands,
2 those of you that say you're in favor of this
3 project. And those that say you're against this
4 project. And those that are undecided.

5 Well, I'm glad to see there's some
6 undecideds. Commissioner Douglas and I are in the
7 undecided category. And, in fact, that's really
8 why we're going to be involved in this process for
9 the next year. And I'll be assisting her in
10 making a decision to go before our entire
11 Commission.

12 So, we appreciate your being here. It's
13 informational in that, well, if we were to compare
14 this to a baseball game, we're in the top of the
15 first inning. And we're looking for information
16 from the public, as well as all the fact-finding
17 aspects. That was an excellent presentation, I
18 thought, that you gave, Mr. Pfanner.

19 So I want to assure you that no decision
20 has been made about this. We will make a
21 recommendation to the full Commission, and that
22 will take upwards of a year to do. So, again,
23 thank you for indulging me with your show of
24 hands. You can change your opinion as time goes
25 on, as well.

1 HEARING OFFICER CELLI: Thank you. And
2 I just wanted to say, also, that this being an
3 informational hearing. That that goes both ways,
4 it's informational to the Committee to hear from
5 the local people what the local concerns are. And
6 we're very grateful for your comments and thank
7 you very much for them.

8 I have one last blue card. If anyone
9 else wanted to have a comment or make a comment,
10 to give a blue card to Mr. Bartsch.

11 Wayne Nosala.

12 MR. NOSALA: Good afternoon. You got it
13 right. My name's Wayne Nosala. I live on the
14 very other end of town right at the highway 14
15 interchange.

16 And my only concern is -- I'm not even
17 sure if this is the right place to bring this up,
18 but I can see the Barren Ridge switching station
19 from my house at night. And it is lit up like a
20 Christmas tree.

21 And the reason I bring this up because
22 the gal brought it up awhile ago about the
23 lighting. This thing has got to be using some
24 immense amount of power just to light this thing
25 up.

1 (Laughter.)

2 MR. NOSALA: Because you can see it
3 literally all the way almost from Ridgecrest. So
4 that might be something that if you can get the
5 word to the right people, that that thing -- it
6 doesn't just point down. It points up and it
7 lights the whole canyon up.

8 So, that's my concern right now.

9 HEARING OFFICER CELLI: Thank you very
10 much. And Commission Staff will be looking at
11 visual impacts, as well.

12 Do we have any other public comment at
13 this time? Because, if not, I'm going to turn it
14 over to Commissioner Douglas to adjourn the
15 meeting.

16 MR. PALO: On behalf of --

17 HEARING OFFICER CELLI: Gary Palo,
18 please.

19 MR. PALO: On behalf of FPL Energy I
20 wanted to thank all members of the public and the
21 agencies who attended here today and made comments
22 or may have comments. It's very important to us,
23 as an applicant, to try to incorporate the
24 comments that are made into our project design and
25 operation, and the construction phase.

1 So, we take these comments seriously.
2 That's the nature of our company, being our normal
3 business. So we sincerely appreciate those that
4 attended and the comments we've heard.

5 And the ones about the lighting and
6 other things, we want to be very sensitive to. In
7 fact, I want to mention, Los Angeles Water and
8 Power, that we know some people there. It might
9 be that that being under construction, they might
10 be doing like Caltrans once in awhile, you know,
11 when you're driving on the freeway, they're
12 working at night and the lights are blazing.
13 Maybe they're doing 24-hour construction; I don't
14 know that. But I'm certainly going to bring that
15 up, too. Because we don't want to have that
16 happen during our construction phase.

17 So, we appreciate comments like that.
18 That helps us incorporate and be sensitive to the
19 community as we move our project forward.

20 Thank you.

21 HEARING OFFICER CELLI: Thank you.

22 PRESIDING MEMBER DOUGLAS: Commissioner
23 Byron.

24 ASSOCIATE MEMBER BYRON: Commissioner,
25 before you close I thought it might be helpful to

1 add one more piece of information for all of those
2 that took time off to be here today.

3 I believe there's 23 cases before the
4 Commission right now, 23 different siting cases
5 that are currently under evaluation by various
6 committees of the five of us.

7 And I wanted to assure you that everyone
8 at the Commission takes this responsibility very
9 seriously. As Mr. Pfanner indicated, there's a
10 number of distinguished professionals on the staff
11 side that are involved in reviewing all the
12 different aspects of this.

13 I want to assure you during my time at
14 the Commission I've become convinced that the
15 process that we have in the State of California
16 for evaluating and siting power plants I think is
17 the best in the country, if not the world.

18 Your health and safety, as well as the
19 environment, are the primary consideration of this
20 Commission. And we take that very seriously. And
21 I suspect we'll be back here again.

22 PRESIDING MEMBER DOUGLAS: I expect we
23 will. Do the staff or the intervenors have any
24 closing comments?

25 Very well, in that case, again, on

1 behalf of the Committee, I'd like to thank
2 everyone here for your attendance and your
3 participation in this informational hearing.

4 And as there are no further questions,
5 the hearing is now adjourned.

6 (Whereupon, at 4:45 p.m., the
7 informational hearing was adjourned.)

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CERTIFICATE OF REPORTER

I, TROY A. RAY, an Electronic Reporter,
do hereby certify that I am a disinterested person
herein; that I recorded the foregoing California
Energy Commission Hearing; that it was thereafter
transcribed into typewriting.

I further certify that I am not of
counsel or attorney for any of the parties to said
hearing, nor in any way interested in outcome of
said hearing.

IN WITNESS WHEREOF, I have hereunto set
my hand this 18th day of June, 2008.

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